THE IVY NETWORK CORPORATION
WHERE FUTURE AMERICA LISTENS AND LEARNS TO BUY
242-A YALE STATION • NEW HAVEN, CONN. • 787-0711

WILLIAM B. BATES III
PRESIDENT

JEFFREY S. HARRIS
SECRETARY – TREASURER

MINUTES OF THE WINTER MEETING OF THE IVY NETWORK CORPORATION

Yale University
New Haven, Conn.
March 6, 1971

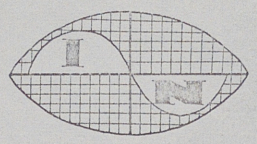
In the absence of Chairman John Seakwood, the meeting was chaired and called to order by President Bates as provided for in the Corporate Bylaws.

Present were representatives of WHRB, WTBU, WVBR, WTBS, WDCR, WYBC, WMS, WESU, and WPRB.

WTBU moved to dispense with the reading of the minutes of the last Meeting of the Corporation. This motion was seconded by WHRB and passed unanimously.

The Chairman issued a call for Old Business to be brought to the attention of the Corporation. A suggestion was made to review the matter of further re-distribution of monies held by the Corporation as Retained Liabilities, pursuant to motions made at the last Corporation Meeting. The Chairman in turn asked that discussion be curtailed pending the report of the Treasurer. There were no objections.

The Treasurer of the Corporation reported that the Corporation had, as of that date, $504.72 on account with The Connecticut Bank and Trust Company, and $2960.14 on account with the Chelsea National Bank of New York. He stated that the latter account was maintained to facilitate financial dealings with UPI, while the former was somewhat depleted at present because of the current need to pay stations for running advertising placed through the firm "Campus Media, Inc." without in turn receiving payment from this firm. He stated that Ivy Network would continue to pay for advertising run through this account while awaiting payment. He stated that this was being done to ease the financial burden on each station in the immediate future. He expressed the hope that payment from "Campus Media, Inc." would be forthcoming, but asked that no redistribution be considered at this time because of the lack of ready cash. In response to a question concerning the size of the "Campus Media, Inc." debt to Ivy Network, the Treasurer indicated that



it was between five and seven thousand dollars.

He then went on to distribute the periodic Station Payments to each Representative, asking them to note the listing of "Advertising Run", "Penalties", "UPI Costs", and "Campus Media Accounts".

WHRB asked that a report be obtained from an authorized representative of "Campus Media, Inc." on these matters. Mr. Jeffrey Fannon of that firm replied to this at the suggestion of the Chairman. In his reply, he noted that the lack of payment stemmed from three sources. First, he stated that "Campus Media, Inc." had experienced losses at the close of last year due to the closing of five major accounts, and the resultant confusion had engendered several internal problems. Second, he added that "Campus Media, Inc." had undergone internal re-organization in the last several months for various reasons, and that this, too, adversely affected the speed and accuracy with which they had most recently promised to settle our account. Finally, he distributed reports to each station present on their affidavit situation, and claimed that the long delays in receiving these affidavits from many stations accounted for the delay. He further elaborated on this by saying that "Campus Media, Inc." could not bill the sponsors of the advertising until it had received suitable verification of each exposure in the form of an affidavit. He also admitted here that the previously mentioned problems confounded the efforts of his firm to make prompt and full collection.

Upon further questioning, Mr. Fannon also noted that he hoped that final settlement on most accounts could be reached before the next Meeting of the Corporation.

WDCR initiated a discussion of proceedures currently used between the several stations, Ivy Network, and "Campus Media, Inc." The suggestion was made that time might be saved by forwarding affidavits directly to that firm, instead of to Ivy Network. Various members of the Management spoke to this comment, and suggested that the majority of delays did not originate at the Network office, but instead at the office of "Campus Media, Inc." after reception of the affidavits, or at the stations themselves. It was also stated that such a proceedure would upset current billing arrangements, and tend to make the stations dependent solely on "Campus Media, Inc." for payment; whereas now they might also rely on the Network to aid out at difficult times. The actual situation of payment was cited as an example.

WDCR moved that one copy of each affidavit be sent to Ivy Network each month, and that two be sent at the same time to "Campus Media, Inc." The motion was not seconded, and thus died.

Mr. Fannon then asked the Chairman if the Corporation was being represented by Mr. Bob Dore in Chicago. He explained that while he had been in telephone contact with this party, the Corporation was not being represented by him.

Mr. Fannon then raised the issue of the "National Dry Guy Week" promotion that had been discussed in the newsletter sent out to all stations by his firm. He concluded his presentation by saying that the alleged "promotion" looked to him like a play for free advertising. The Chairman noted that it was Management policy not to participate in such "promotions", or in "Trade-outs" or "Percentage Income" affairs unless they were of unusual interest. He added that he would be willing to entertain a motion preventing the Management from accepting any such business.

WTBS then moved that the Management not accept any promotion which appears after careful scrutiny to be unpaid advertising, with the understanding that the Management retain the right to notify the stations of such promotions at its discretion. WDCR seconded this motion and it passed unanimously.

The Chairman then thanked Mr. Fannon for the information he had supplied, and asked him to withdraw from the Meeting in acordance with Corporation custom.

The Chairman then stated that the Network contract for "Budweiser" had been renewed in an expanded form, that he felt that Standard Oil would also renew, an d that he was "optimistic" about Guild Wine renewal in the Fall.

The Chairman then stated that it was the Management policy in special cases to offer Merchandising services to the buyers of large contracts. He stated that this was done only as a last resort to "clinch" a large sale. He went on to remind the Station Representatives that this had been done with the Guild Wine contract, and that after speaking with each station and the Agency handling the account, it had been decided that each station run ads in the campus paper to support the Guild sales effort. He explained that the copy for such an ad would be forwarded by him to each station airing the Guild spots at a later date, along with further instructions. He urged all stations to run the ads as "Trade-outs" with the campus papers, and added that in cases where this was impossible and the financial burden great, Ivy Network would make funds available for these ads. It was also stated that the ads would also contain "plugs" for the sponsoring station, and that the effort needed to satisfy Guild was minimal in comparison to the size of the contract.

WYBC then initiated a discussion of "Prime Time Rates" on the Ivy Rate Card. There seemed to be general agreement that the short "Prime

Time Period" was at present too short to effectively air spots that ran many times each day. It was felt that the same spot, repeated over and over again in the same day within a few hours, lost all subtlety and became a program interruption.

WTBS moved that the periods 7-10 A.M. and 5P.M. -2A.M. be known as "A" Time on the Ivy Rate Card. The motion was seconded by WVBR and passed unanimously.

The Chairman then discussed the possibility of adding a larger package to the Rate Card, stating that two advertisers had, in the last two years, asked for the "biggest" contract, and that this larger package might lure more advertising dollars. He also added that the increased "A" Time would serve to spread these spots more thoroughly; and suggested that to further relieve "spot wear-out" due to over-airing a single spot in a given time period, such a package be available only to advertisers supplying more than one spot for rotation.

WTBU moved that a new package be added to the Ivy Rate Card, to consist of 1000 spots at $2.75 per spot (@ 60 sec. per spot) with rotating spots to be supplied. This was seconded by WYBC and passed unanimously.

The Chairman then informed the Corporation of the resignation of John Seakwood as of March 1st. Reading from the Bylaws, he concluded that the Corporation had to elect a new Chairman to fill the remainder of the term.

In accordance with the Bylaws, WVBR nominated George Schweitzer of WTBU for this post. No other nominations were made. In his absence, it was noted that Mr. Schweitzer had been News Director in his Freshman Year at Boston University, had become the Station Manager at the end of his Sophomore year (June, 1970), and had devoted much time -- including summers -- to the improvement and maintainence of the station in all respects. The Chairman called for a vote which was found to be unanimously in favor of his election.

President Bates then introduced Mr. Mark Hoffman of Ivy Network who explained Ivy affidavit proceedure and introduced a new form he had designed to show each station their precise standing with Ivy. He noted the need for increased exactitude at each station, and distributed one of the new forms to every station at the meeting. Current forms, he indicated, would follow periodically.

President Bates then introduced Mr. Sandy Maier of Ivy Network, who brought up a series of points dealing with the relation of the Network and the member stations, stressing the need for tightening up operating proceedures, increasing efficiency, and opening up new and more direct channels for information flow. He stated that the Management would be responsible for preparing, by the Spring Meeting, a short manual of Ivy proceedures and information in order to clarify many areas of doubt. His suggestion that the Management might plan to visit with each of the member stations to discuss the many individual issues that could not be covered in the Corporation Meetings meet with general approval. The Chairman expressed his interest in joining in this effort. However, no vote was taken on the issue.

Mr. Maier then gave a detailed explaination of the Alumni Advisory Committee Project, noting that it had already been discussed at length in the Minutes of the Fall Meeting, as well as in subsequent special mailings. He noted that most stations had not responded to the request to name a project-leader for this effort, and added that this would be a major part of the sales campaign in the coming year.

In response to questions, he stated that the Alumni Project would not take the place of or interfere with regular Ivy sales efforts. He again said that the project was not designed to influence alumni to buy advertising time, but was instead geared to make use of "old-school ties" to gain advice and help for the regular Ivy sales.

In time, this conversation lead to a discussion of those stations who accepted few or no Ivy contracts. Mr. Maier urged everyone to consider how upsetting this can be when the Network is supposedly sold as a package, or how disruptive it can be to the presentation of a unified sales front -- one of the fundamental aims of the Network.

Mr. Maier also raised the point of non-attendance of several stations. It was felt that many stations were neglectful in not notifying the Network of their intention not to be represented. In addition to making it hard to gather majority opinions or conduct routine operations, failure to have two-thirds of the Corporate Board of Directors present at the Spring Meeting would make elections impossible and cause serious legal problems involving the Corporation and the State of Connecticut. A system of penalties and inducements was urged.

In the ensuing discussion, the Management felt that it would be impossible to "de-activate" the membership of certain stations, or withhold revenue that they had earned by fulfilling contractual obligations. However, it

was felt to be the consensus of the group that Ivy might be able to help pay traveling costs from distant stations if this was a hardship, and should be able to penalize those stations who fail to attend and give notice.

The Chairman suggested that no station within 150 miles of the site of any meeting be eligible for financial aid to attend that meeting. At the same time, he offerred to compute the actual cost of travel from schools more than 150 miles from the site of any meeting. He added that this cost, minus a figure of $20, would put the stations on equal economic bases of travel when made available.

He also added that it would be necessary to penalize stations an amount sufficient to ensure their attendance.

WMS moved that "Travel Aid" be made available to stations requiring it, such aid to be determined by the Chairman in the manner described and presented to the Corporation for final approval at the Spring Meeting; that penalties be imposed on those stations who fail to send representatives to official Ivy Meetings and who fail to give the Management prior notice of emergency or other special condition; and that such penalties be set at $250 for the first offense, and $500 for each consecutive abuse thereafter. WHRB seconded the motion and it passed unanimously.

The Treasurer reported the projected "News Network" still under consideration by the Ford Foundation, and said it had a "fifty-fifty" chance at becoming reality.

WDCR moved that affidavits intended for Campus Media be postmarked no later than the tenth of the month following that month in which the contract had been run, and that this postmark date be the basis for computation of such penalties as may be assessed. The motion was seconded by WHRB and passed unanimously.

WHRB suggested to the group that the matter of re-distribution be brought to the attention of the Treasurer at the Spring Meeting.

WYBC moved that the Meeting be adjourned. WTBU seconded this motion and it passed unanimously.